

# NEWSLETTER

## Asset Management Plan

Your Directors are developing an Asset Management Plan to ensure the schemes 40-year-old infrastructure is going to be functioning just as well in 40 years' time. Most of the scheme is in original condition. The concrete pipes commonly used for water pipes in the 1980's have a life span that varies between 40 and 60 years depending on the type of soil conditions they are buried in. Assets have been categorized as above or below ground and critical or not so critical. Due to prudent management and sound governance over many years the company is in a strong financial position. There are enough resources held in reserve to refurbish critical above ground assets. These include pumps, motors, buildings, header tanks, pressure reducing valves, flow and pressure monitoring equipment. This work is underway now. There is not enough in reserve to replace kilometers of old pipes and hundreds of valves that are essential for operating the scheme. Initial estimates indicate this work could cost millions of dollars over the next twenty years. Your Directors will be investigating all options available to fund this work and you are encouraged to attend the AGM in November where the subject will be discussed with shareholders. One funding option is via the income the company receives from its customers. Direct comparisons of charges between all Irrigation companies by Irrigation NZ shows customers of the Kerikeri Irrigation Co are receiving some of the cheapest Irrigation water in New Zealand. Charges applying from 1<sup>st</sup> June 2019 are set out below.

## Charges Applying From 1 June 2019 to 31 May 2020 (excl. GST)

<b>COMMERCIAL</b>	\$	<b>NON-COMMERCIAL</b>	\$
Annual water meter charge	193	Annual allowance for 500,000 Litres	461
Annual charge per irrigable hectare	211	Excess usage over allocation/m <sup>3</sup>	45 cents
Per m <sup>3</sup> water used	4.3 cents		
Per m <sup>3</sup> allocated but not used	1.4 cents		
Excess usage over allocation/m <sup>3</sup>	45 cents		

## Invoice Dates

Kerikeri Irrigation Co invoices are sent on 30<sup>th</sup> September each year for full payment due 20<sup>th</sup> October. This invoice covers the full years **fixed charges** for all **non-commercial** and **commercial** customers. A year covers from 1 June to 31 May the following year. **Commercial** customers will receive another invoice on 31 May each year for actual water used, any reserved but unused allocation and any excess water use charges that may apply. **Non-commercial** customers will only receive an additional invoice on 31 May if they have used water in excess of their annual allocation of 500,000 Litres during the year. A monthly statement will be sent to all customers who have a balance owing regardless of whether they have applied to be on a regular payment plan or not.

## Email Notifications

If you received this newsletter in the post, please provide an email address so we can inform you when there is a water outage on the pipeline and keep you updated on repairs.

**REMEMBER.... The water supplied is for irrigation use only. It is untreated and is not intended for any domestic use.**